



The President's Daily Brief

13 December 1972

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THE PRESIDENT'S DAILY BRIEF

13 December 1972

PRINCIPAL DEVELOPMENTS

The principal development emerging from last week's NATO ministerial meetings was the expressed preference by the French, Italians, and the British that any force reductions in Europe be limited to Soviet and American troops. (Page 1)

Lao Communist negotiators in Vientiane have presented the government with a draft agreement primarily noteworthy for its specific timetable for implementation. (Page 2)

The Soviet Union has been trying since last October to influence Phnom Penh toward a political settlement of the Cambodian conflict and to a lesser extent has been doing the same thing in Laos. (Page 3)

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NATO

The most important development to emerge from the NATO ministerial meetings last week was the expression of preference by the French, Italians, and the British that any force reductions in Europe be limited to Soviet and American troops.

The French argue that such an arrangement would affect Western European security the least, and the Italians agree. The British do not wish to be committed to any action that would make more difficult the eventual creation of a European defense force. The three allies would also like to stave off as long as they can defense cuts among the smaller NATO allies.

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LAOS

Communist peace negotiators have returned to Vientiane and yesterday presented the government with a draft agreement. It calls for a cease-fire simultaneous with signature of the agreement. Within 30 days thereafter, a broadly based political consultative council would be created and a provisional government of national unity would be formed. Until a permanent coalition government was established after national elections, the two sides would continue to administer their respective zones. Vientiane would be a neutral zone open to all.

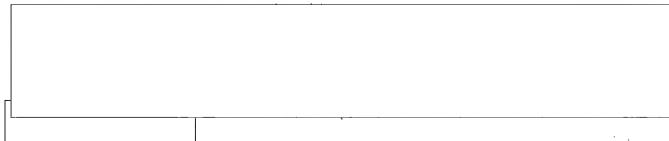
The cease-fire would be supervised by a joint Lao commission supported by the International Control Commission, using the 1962 Geneva Accords as its guide. All foreign military personnel and advisers would be withdrawn within 90 days after the agreement was signed. All future military assistance to either side would require prior approval of the new provisional government.

This draft is noteworthy primarily for the specific timetable it contains. In substance, it fleshes out previous proposals

and ignores Vientiane's proposal simply to bring Communists into the cabinet of the present government.

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During yesterday's negotiating session, government representatives were not prepared to speak about the draft agreement.



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USSR-INDOCHINA

Since late October, the Soviets have been attempting to influence Phnom Penh's attitude toward a political settlement of the Cambodian conflict and to a lesser extent, they have been doing the same in Laos.

In Phnom Penh, Soviet representatives appear to be trying to make sure that the Cambodians will continue to ignore the deposed Prince Sihanouk--who resides in China--and initiate direct contacts with the Khmer Communists instead. They are holding out prospects of peacetime Soviet aid to the present government and are fanning Cambodian fears of the Chinese.

Soviet diplomats in Asia appear to be afraid that the US and China could reach an understanding that would permit Sihanouk's eventual return to Phnom Penh. They also fear that North Vietnam might insist on Sihanouk's return, leaving the USSR in an isolated position.

In Laos, the Soviets have been content to support the Lao Communists and the North Vietnamese. They have held out hope of an early settlement and urged the government to negotiate seriously.

The Soviets do not appear to believe they need to interfere much in Laos. Early in December the Lao Government asked for Soviet assistance toward breaking the deadlock in the peace talks, but Moscow demurred.

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NOTES

Philippines: President Marcos apparently believes he is now in a position to move further against opponents in the political establishment. He continues to describe the attack on his wife last week as part of a long-standing "rightist" conspiracy against his government. His allegations are directed primarily at the Lopez and Osmena families, both of which have long been powerful forces in the Philippines. A few of their members had been arrested before the attack on Mrs. Marcos. The President may believe that further selective detentions would help considerably to bring his more conservative opponents into line. Most arrests since the imposition of martial law in September have been directed against "leftist" elements.

Argentina: Juan Peron may announce, before his expected departure today, his selection to carry the Peronist banner in the elections next March. [redacted]

[redacted] the Peronists have tried [redacted] to agree on a candidate with either the military or the Radical Party. Should a last-minute accord not be reached, Peron could let his own nomination stand until the Supreme Court rules on the constitutionality of the residency requirement that now bars his candidacy. Peron, who is said to be traveling to Paraguay and Peru before going back to Madrid, is scheduled to return to Argentina before the elections are held.

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Pakistan-Bangladesh: Students rioted in Lahore on 11 and 12 December and in Rawalpindi on the 11th to protest the government's proposal to recognize Bangladesh. The students, apparently inspired by a conservative religious party, met in defiance of a government ban on demonstrations. In clashes with police in Lahore one person may have been killed and 17 were reported to have been wounded. Rioting in Rawalpindi left 18 injured. If President Bhutto decides to press forward with recognition of Bangladesh, he will have to take into account the likelihood of more violent reaction--at least in the important Punjab Province.

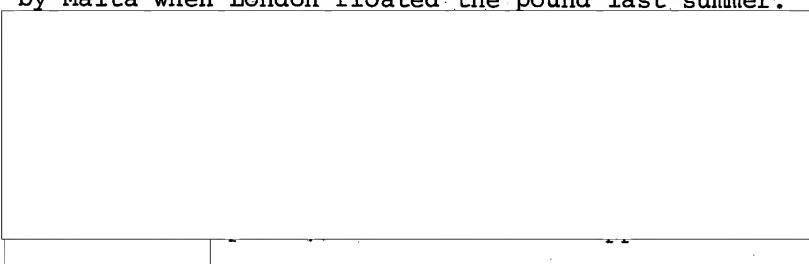
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Malta: Prime Minister Mintoff has publicly raised the issue of the financial losses incurred by Malta when London floated the pound last summer.

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